



**U.S. Small Business Administration
Washington, D.C. 20416**

**Testimony of
Barb Carson
Acting Associate Administrator
Office of Veterans Business Development (OVBD)
U.S. Small Business Administration**

**Before the
U.S. Senate Committee on Small Business and Entrepreneurship
Empowering Veteran Entrepreneurship
Thursday, June 25, 2015**

Chairman Vitter, Ranking Member Shaheen, and distinguished members of the Committee, thank you for the opportunity to testify on the U.S. Small Business Administration's (SBA) continuing efforts to empower veteran entrepreneurship and small business ownership. We do this by executing programs and policies that maximize the availability of SBA services for veterans, Servicemembers, and their spouses. We are grateful for this Committee's continued support of SBA's programs that provide training and counseling, access to capital, and federal contracting opportunities to our nation's heroes and job creators.

As small business owners, veterans continue to serve our country by creating critical employment opportunities and driving economic growth. They possess the skills, discipline, and leadership to start and operate successful businesses in their communities. In fact, veterans over-index in entrepreneurship and are at least 45 percent more likely than those with no active-duty military experience to be self-employed.ⁱ Nearly one in ten small businesses are veteran-owned. These businesses generate over \$1.2 trillion in receipts annually and employ nearly 5.8 million Americans.ⁱⁱ

SBA's programs are making a significant positive impact to ensure we create the next greatest generation of veteran small business owners. This year, to provide training and counseling, we executed on our initial appropriation for the Boots to Business program - the Entrepreneurship Track of the Department of Defense's Transition Assistance Program (TAP), which has trained over 27,000 transitioning servicemembers and their spouses. Working through the Interagency governance of TAP, we are extending Boots to Business to all active duty Servicemembers and spouses through the Military Life Cycle strategy. And, with support and active participation from private sector, non-profit and SBA resource partners, we are extending the program to veterans of any era and their families, which we call Boots to Business: Reboot.

For Access to Capital, we will sustain the SBA Veterans Advantage policy to waive fees for veterans and their families qualifying for SBA Express 7(a) guaranteed loans of \$350,000 and below and reduce fees by half for SBA 7(a) guaranteed loans between \$350,000 and \$5 million. This policy has saved Veterans over 8.6 million dollars in fees since January 1, 2014.



**U.S. Small Business Administration
Washington, D.C. 20416**

And, in the area of Federal Contracting, we are pleased to report that SBA's leadership will soon announce that the Federal Government exceeded the 3% goal for contracting with Service Disabled Veteran Owned Small Businesses for the third straight year.

We continue to provide funding to programs targeting our severely disabled and women veteran entrepreneurs, the Entrepreneurship Bootcamp for Veterans with Disabilities and the Veteran Women Igniting the Spirit of Entrepreneurship.

OVBD's commitment to its mission extends to, and is enabled by, our partners. Our network of 15 Veterans Business Outreach Centers, known as VBOCs, is the cornerstone of our delivery model. VBOCs serve as providers and integrators of business assistance, and maintain expertise to refer veterans to other federal and local service providers. In many cases, VBOCs are extensions of SBA's district offices and assist SBA employees assigned as Veteran Business Development Officers (VBDOs).

Our 15 VBOCs extend their services nationwide by collaborating extensively within SBA's network of resource partners which also include Small Business Development Centers, Women's Business Centers, and SCORE. This collaboration allows VBOCs to maximize SBA's integration of service and knowledge for veterans – as exemplified by the VBOC testifying today. Our partnership model also extends to other veteran entrepreneurship centers of excellence, such as the Institute of Veterans and Military Families at Syracuse University also appearing today. SBA's innovative private partnership framework enables our effectiveness -and importantly -our efficiency.

Our collaboration produces success stories like Mr. Timothy Page. After serving 27 years on active duty in the U.S. Army, Tim attended Boots to Business at Ft. Meade, MD as the first step of his transition mission to pursue small business ownership. His idea was to create eco-friendly car washes he calls "auto spas". Through the facilitation of Mr. Mark Williams, in SBA's Baltimore district office, Tim was introduced to Ms. Melissa Dent, a counselor at Maryland's Small Business Development Center, who helped him develop a business plan. In May, Tim competed in a business plan competition privately funded for Boots to Business graduates where he won first place and \$30,000 in seed capital. His first auto spa will open in Forestville, MD in the spring of next year.

While Tim's story is a great example of how our programs and partners integrate to empower veteran entrepreneurship – it also highlights a gap we must address – access to capital. We can and must do more to get capital, and in particular start up or "seed" capital into the hands veterans like Tim.

We must also strengthen and modernize our information technology infrastructure to sustain our programs and make SBA more accessible. In addition, we must enable data sharing between federal agencies, such as the Departments of Labor, Defense and Veterans Affairs as well as external partners, to synchronize our efforts, connect veterans and military spouses with the resources they need,



**U.S. Small Business Administration
Washington, D.C. 20416**

and report essential performance outcomes such as business formation, capital acquired and creation of jobs.

Thank you for the opportunity to testify today and highlight our mission. By authorizing our work you are mandating that the United States Government does all it should to provide the American dream of business ownership to those that fought and continue to fight every day to protect it.

ⁱ “Factors Affecting Entrepreneurship among Veterans,” Office of Advocacy, U.S. Small Business Administration, March 2011.

ⁱⁱ “Survey of Business Owners - Veteran-Owned Firms, 2007,” U.S. Census Bureau, Department of Commerce, May 2011.